

Mattias Johansson, CEO
Nils-Johan Andersson, CFO

28 October, 2016

BRINGING BUILDINGS TO LIFE

Today's presenters

Mattias Johansson, CEO and Group President



- ✦ CEO since 1 January, 2015 and with Bravida since 1998
- ✦ 19 years of industry experience

Nils-Johan Andersson, CFO



- ✦ Joined Bravida as CFO in October 2014
- ✦ 16 years of industry experience

About Bravida

Business highlights

Bravida is the premier multi-technical service provider in the Nordics

Represented in around 140 locations

> 50,000 customers –
Top 5 customers represent <15% of sales

90% recurring customers

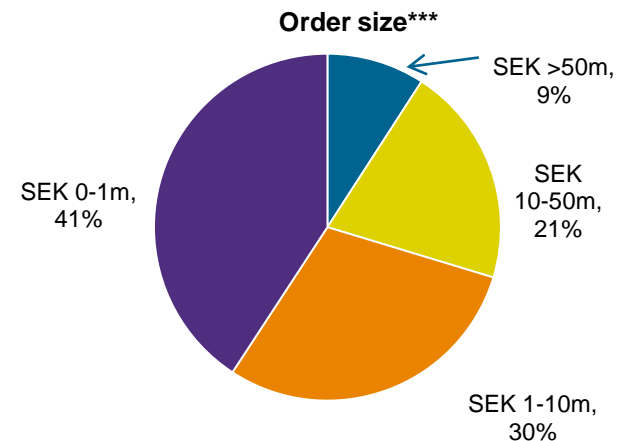
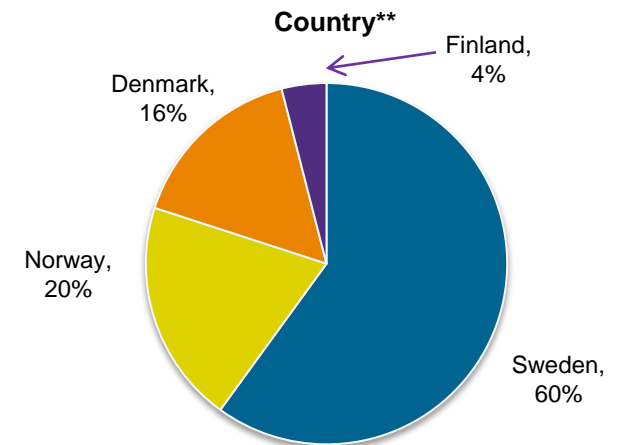
Median contract size: SEK 263,000

SEK 14.4bn*
net sales

SEK 909m*
adj. EBIT

>9,000
FTEs

Net sales



* LTM Q3, ** 9M 2016, *** 2015
Source: Company information

Key highlights Q3 2016

Sales

- Net sales in line with last year SEK 3,289m (SEK 3,302m), organic growth -4% and M&A +5%
- Service sales growth 2%
- Sales impacted by fewer large installation projects in production, competition in region Stockholm and translations effects (NOK)

Order momentum

- Order backlog at record high level, SEK 8,475m, +19%
- Continued strong momentum, with order intake +7%, to SEK 3,693m
- New large hospital order in Denmark, SEK 390m, and also improving backlog in region Stockholm

EBIT

- Price discipline and margins over volumes
- Adjusted EBIT up to SEK 200m (SEK 195m), specific costs of SEK 11m (SEK 27m)
- Adjusted EBIT margin up to 6.1% (5.9%) thanks to project selection and impact from initiatives, excluding Finland 6.3% (6.1%)

Cash flow

- Cash flow from operating activities improved to SEK -57m (SEK -201m)
- Working capital of SEK -705m or -4.9% of sales
- Net debt of SEK 2,783m (SEK 2,972m), 3.0x adjusted EBITDA (LTM basis)

M&A

- 1 acquisition completed in Q3 2016
- Björnbergsgruppen taken over from 1 July, adding SEK 290m in sales
- 2 acquisitions signed in Sweden adding SEK 80m in sales

Market trends

Sweden

Strong market: Buildings construction activity strong

- ✦ Improving order backlog in construction companies, but unchanged sales
- ✦ Industry confidence indicator at high level
- ✦ Investments in premises and housing
- ✦ Competition in Stockholm – price pressure

Norway

Market improved: Increasing started construction of premises and housing

- ✦ Overall buildings construction activity up, started construction of premises +11 % and housing +19%
- ✦ Slow activity in Southwest due to lower demand in the oil and gas industry

Denmark

Market supported by public investments and housing

- ✦ Investments in healthcare, infrastructure and housing driving volumes
- ✦ Construction confidence indicator still below average

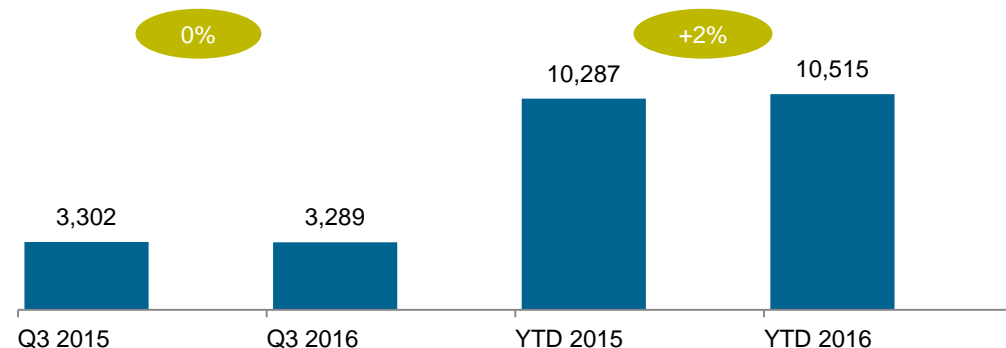
Finland

Construction market improving, albeit from low level

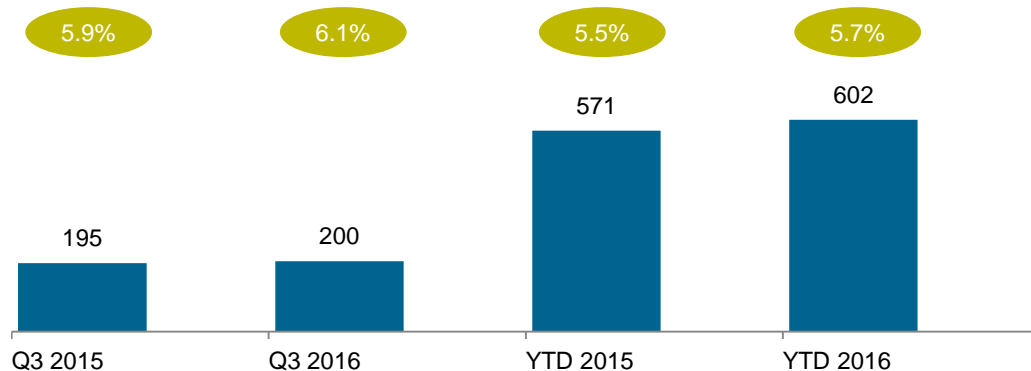
- ✦ Sales increase in construction companies, increasing building permits and building project starts
- ✦ Industry confidence indicator rather robust

Group sales & adjusted EBIT development

Sales & YoY reported growth (SEKm, %)



Adjusted EBIT & margin (SEKm, %)



Key highlights Q3

Sales

- Service growth +2%
- Sales growth in Norway and Denmark
- In Sweden growth in the quarter impacted by:
 - Fewer large projects in production in the quarter
 - Competition in Stockholm – lower production – pricing discipline and focus on margin over volumes

Adjusted EBIT margin up in Q3 to 6.1% (5.9%)

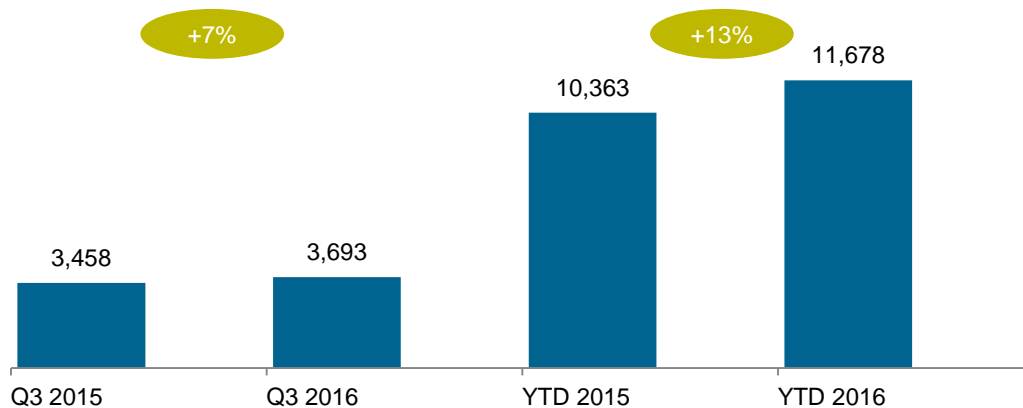
- Excluding Finland 6.3% (6.1%)
- Stable performance in all countries and Finland improving
- Reported EBIT +13% in Q3 to SEK 189m (SEK 168m)

0%
2016 sales

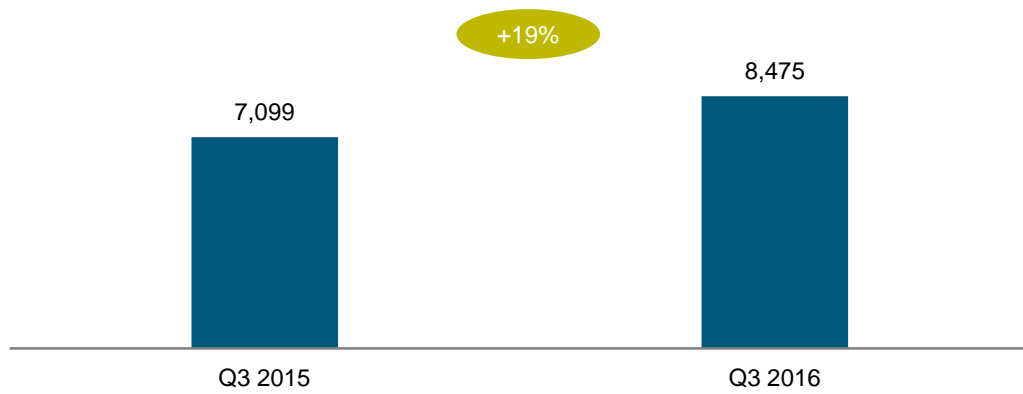
+3%
2016 adj.
EBIT

Order momentum

Order intake & YoY reported growth (SEKm, %)



Order backlog¹ & YoY reported growth (SEKm, %)



1. Backlog includes installation business only
Source: Company information

Selected contract wins

Order backlog at record high level: SEK 8,475m

- ✦ Order backlog increased by +19% YTD 2016 and include a couple of larger orders;
 - Sweden: Housing projects and office projects
 - Norway: Housing, security system in museum, office building
 - Denmark: Hospital in Jutland of SEK 390m
 - Finland: Office project

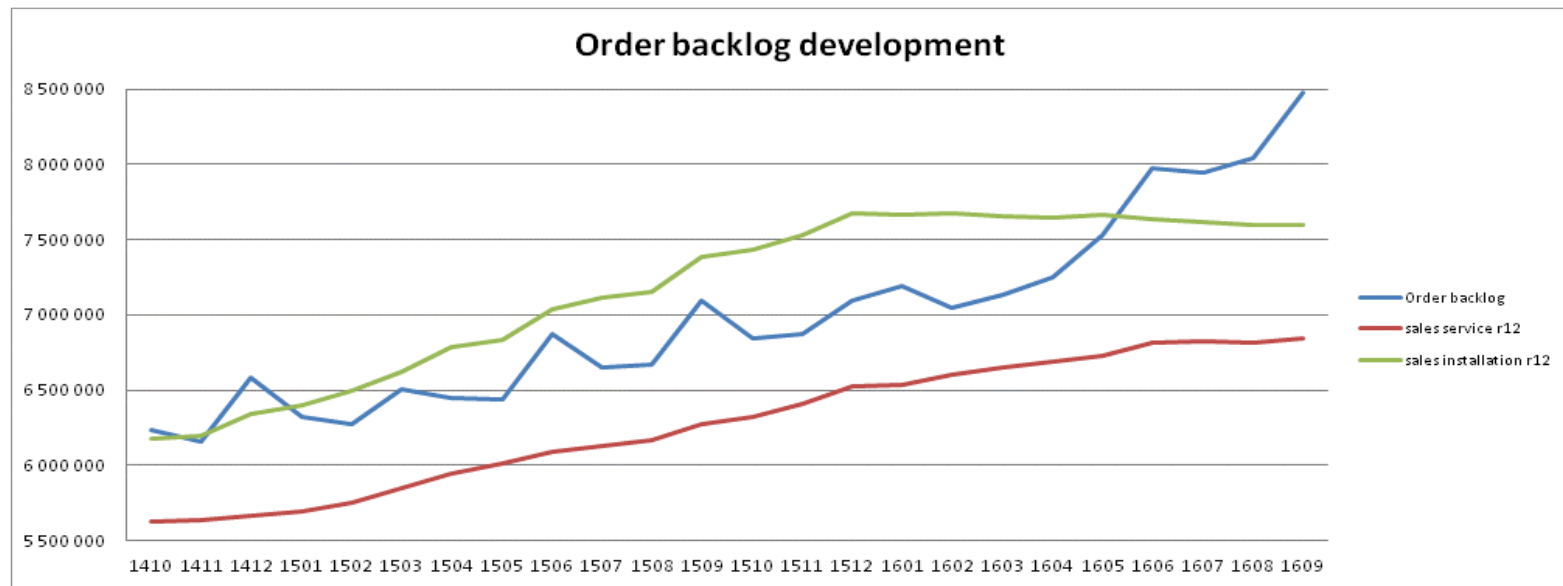
+7%
intake
growth

SEK
8.5bn
order backlog

Installation order backlog and service/installation sales

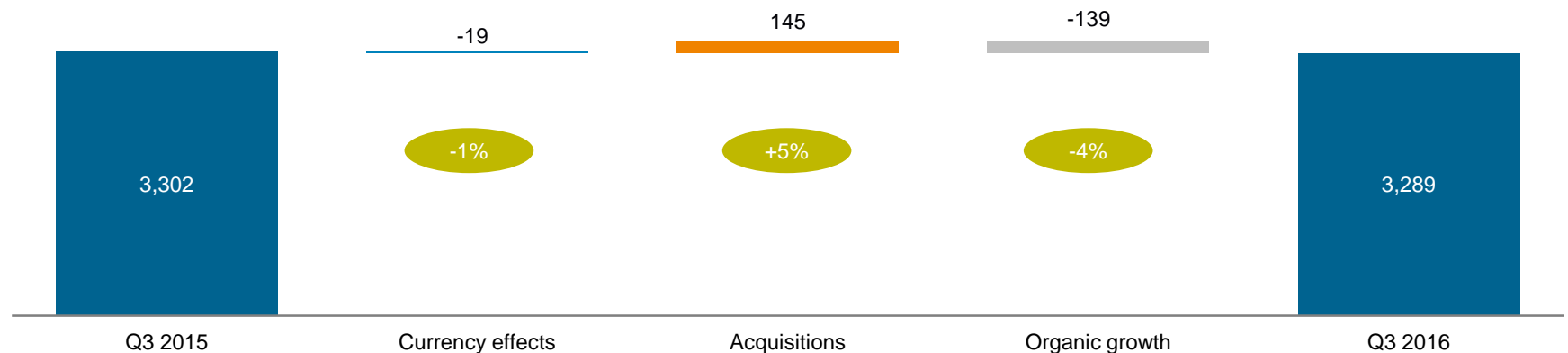
- ✦ Service sales performing well, continuous growth of +2% in Q3 2016, +7% YTD 2016 (red line in graph)
- ✦ LTM installation sales have flattened out temporarily in YTD 2016, explained by large orders come to an end in 2015, continue follow the Bravida Way and favour margin over volume (green line in graph)
- ✦ Installation order backlog cover more than 100% of LTM installations sales– will support organic growth coming quarters (blue line in graph)

Order backlog development

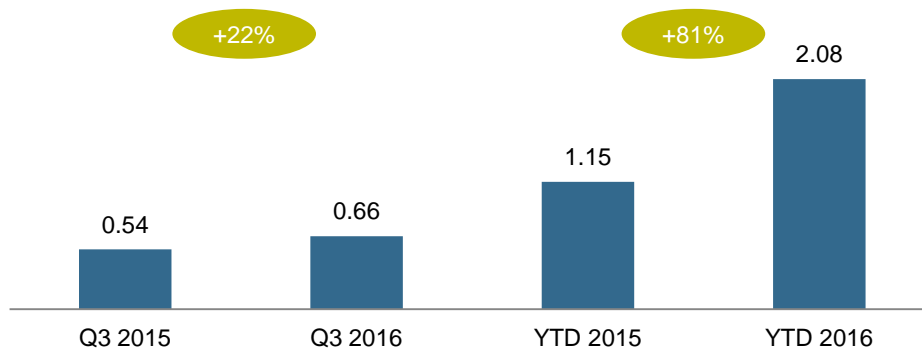


Financial performance Q3 2016

Sales bridge (SEKm, %)



Earnings per share (SEK, %)

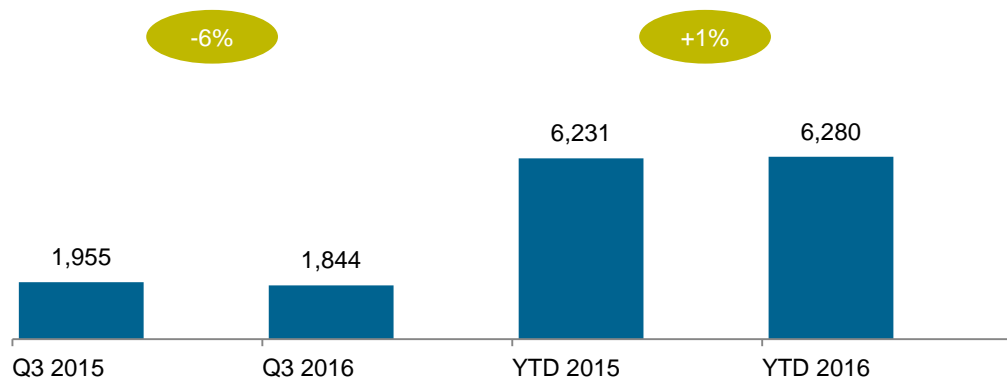


Key highlights

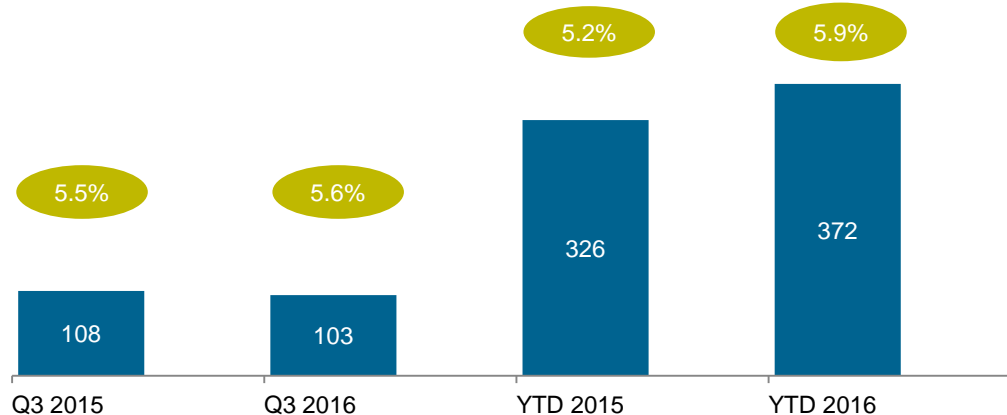
- Improved margins in Sweden, Denmark and Finland
- Good growth and margins in Norway
- Margin impacted by Finland entry
- Financial items in Q3 2016 amounted to SEK -17m (SEK -32m)
- Lower specific costs in Q3 2016 and YTD 2016, SEK 11m (SEK 27m) respectively SEK 11m (SEK 64m)

Sweden

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Improved margin albeit declining net sales

- ✦ Sales -6% YoY due to competition in Stockholm and fewer large projects in production
- ✦ EBIT margin improved to 5.6%, a result of project selection and impact from initiatives
- ✦ Cost actions taken in the Stockholm region

Good market conditions reflected in an increasing order backlog

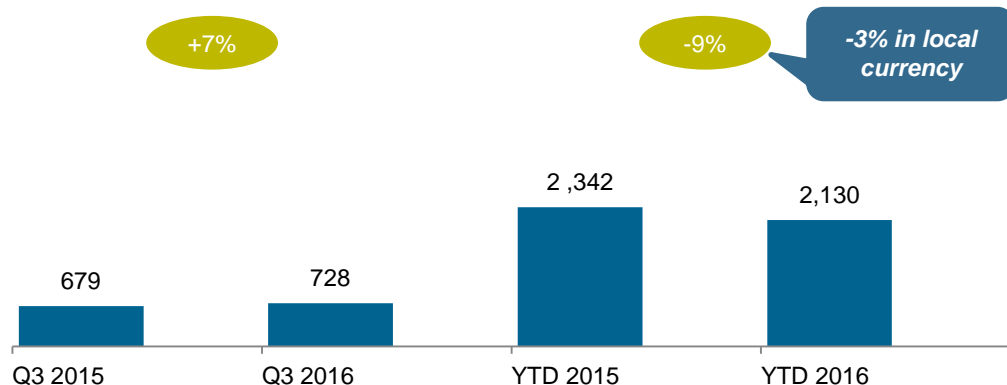
- ✦ Backlog +23% YoY, up to SEK 4,694m

-6%
Q3 2016
sales

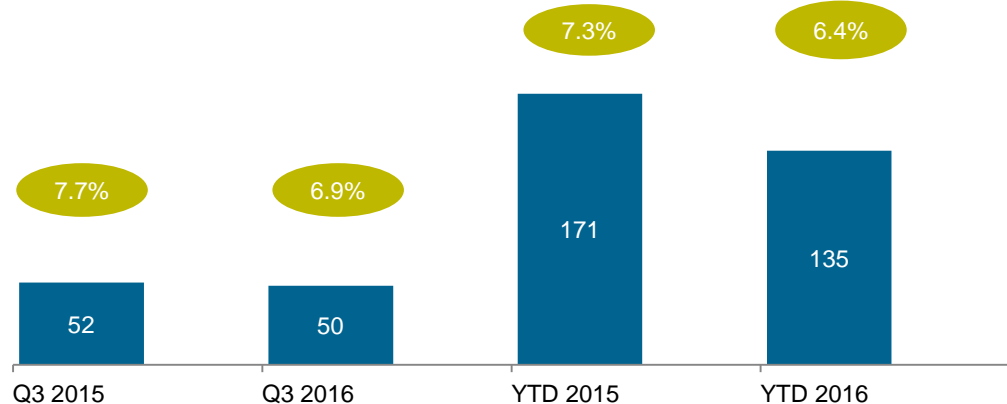
-5%
Q3 2016
EBIT

Norway

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Sales growth improvement except in Southwest

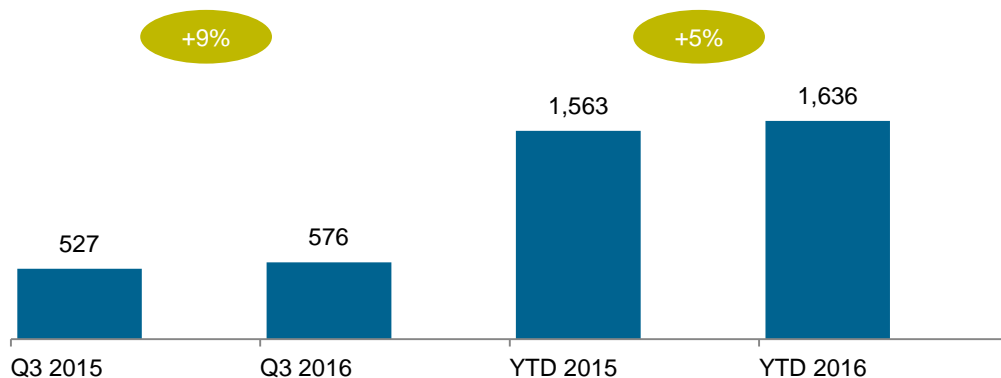
- ✦ Sales still impacted by low activity in the Southwest area and FX effect
- ✦ Improved service sales
- ✦ Backlog +12% YoY
- ✦ EBIT negatively affected by low profitability in SW

+7%
Q3 2016
sales

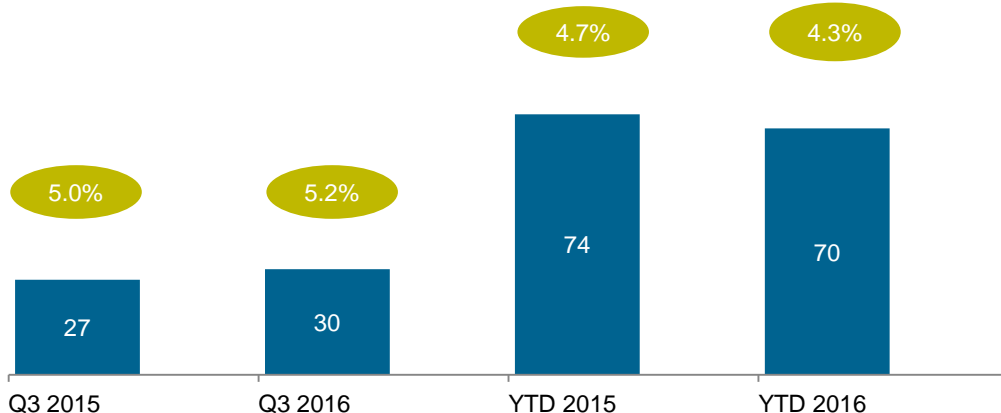
-4 %
Q3 2016
EBIT

Denmark

Sales & YoY reported growth (SEKm, %)



EBIT & margin (SEKm, %)



Key highlights

Sales growth due to higher production in large installation projects and improved service sales

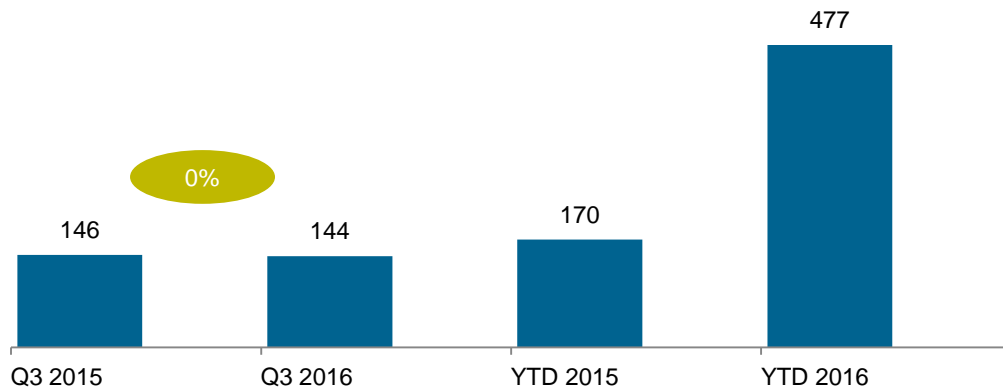
- ✦ Increasing installation and service sales
- ✦ Gødstrup hospital order of SEK 390m
- ✦ Order backlog +30% YoY
- ✦ Improved margin

+9%
Q3 2016
sales

+14 %
Q3 2016
EBIT

Finland

Sales & YoY reported growth (SEKm, %)

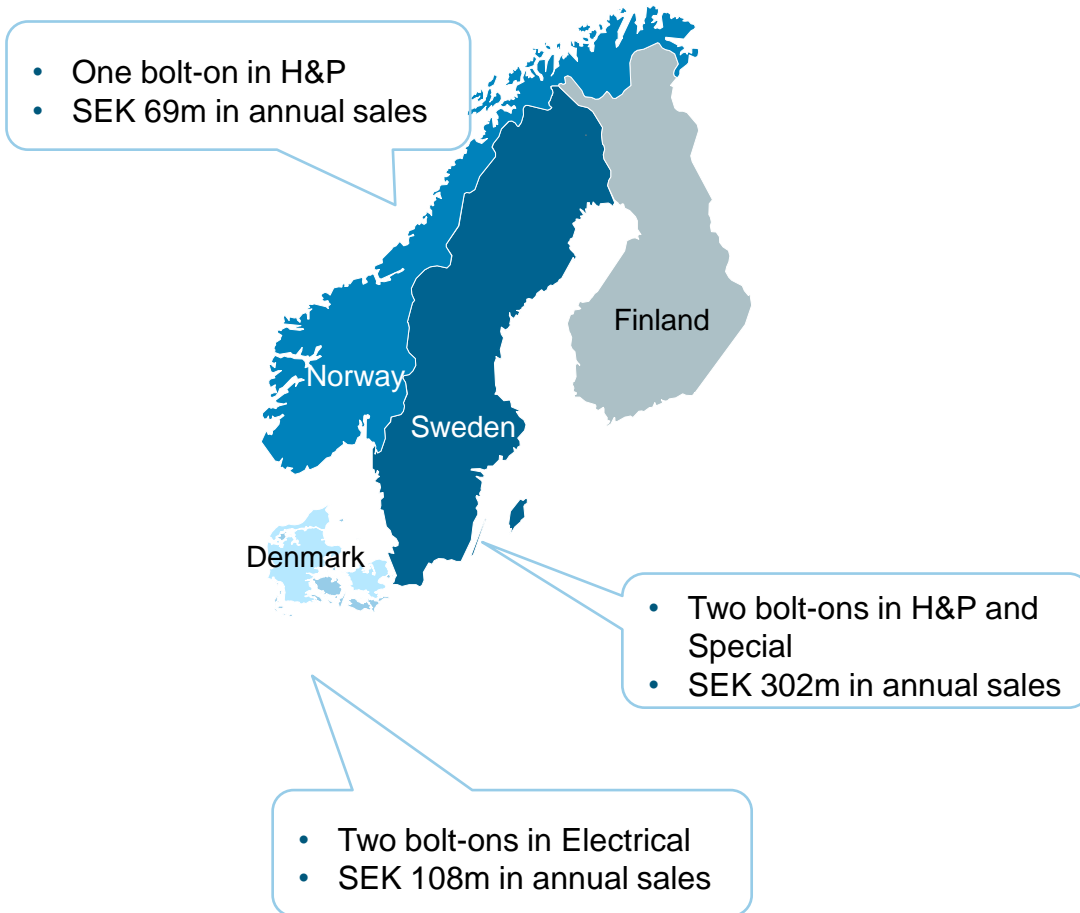


- Bravida Finland was formed in 2015 through the acquisition of the installation and service divisions of Peko Group in June 2015 and Halmesvaara Oy in July 2015

Key highlights

- Positive EBIT in Q3 2016 of SEK 3m (SEK 2m)
- Top priority to implement “Bravida way”, order backlog coming down explained by project selection – Bravida way
- Continued focus on productivity – still room for improvement
- Market improving from low level

Acquisitions in 2016



Key highlights

- ✦ 5 acquisitions completed YTD 2016, adding SEK 479m in annual sales
- ✦ 2 bolt-on acquisitions signed in Q3 adding SEK 80m in annual sales
- ✦ Continued strong pipeline
- ✦ Acquisitions still at attractive multiples

5

acquisitions
YTD 2016

SEK 479m

acquired sales
YTD 2016

Net debt

Financial position

SEKm	Q3 2016
Cash balances	220
Term loan and RCF	-3,000
Overdraft facilities and other	-3
Net debt	-2,783
LTM EBITDA*	934
Net debt / LTM EBITDA	3.0x

Key highlights

- ✦ Refinancing in October 2015
- ✦ New SEK 4bn financing package
 - Term loan SEK 2,700m
 - RCF SEK 1,300m
- ✦ STIBOR +1.65% margin
- ✦ Maturity 5 years

* Adjusted for IPO, initiatives and acquisition expenses
Source: Company information

Financial targets



Sales

> 10% sales growth

5% p.a. organic growth

5%-7% p.a. contribution from bolt-on acquisitions



Adj. EBITA

> 7% group margin

Higher organic margin in existing branches

Including dilutive impact of bolt-on acquisitions



Cash conversion & dividend

- Cash conversion above 100%
- Target payout ratio of at least 50% of net profit



Net debt

- Target leverage ratio of ~2.5x Net debt / EBITDA
- New 5-year financing package
 - SEK 2.7bn term loan (Stibor +165 bps subject to ratchet)
 - SEK 1.3bn multi-currency overdraft facility

SUMMARY

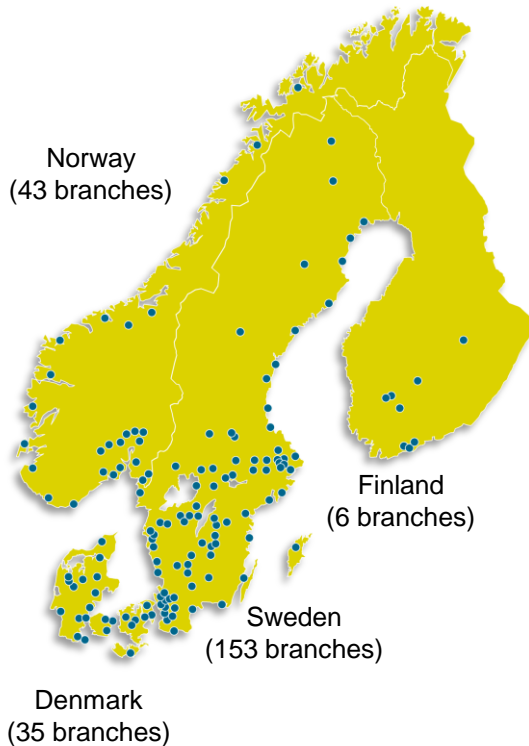
- ✦ Stable to good market conditions continue, except for SW in Norway and price pressure in Stockholm
- ✦ Installation order backlog and Service business momentum will support organic growth and cash flow coming quarters
- ✦ EBIT margin improvement on track, supported by initiatives and implementation of Bravida way
- ✦ M&A execution on track with a healthy pipeline

Q&A



Leadership in a fragmented Scandinavian market

Dense regional network of branches with recent expansion into Finland



	Market position	Market share	Top 3 player market shares
Sweden (SEK 73bn market)	No. 1	10%	Bravida 10% Assemblin 8% Caverion 8% 74%
Norway (SEK 76bn market)	No. 2	4%	Caverion 6% Bravida 4% Gunnar Karlsen 3% 87%
Denmark (SEK 50bn market)	No. 2	4%	Kemp & Lauritzen 5% Bravida 4% Wicotec Kirkebjerg 3% 88%
Finland (SEK 52bn market)	Acquisition of Peko Group in June 2015 with ~SEK 620m of sales followed by bolt-on Halmesvaara with ~SEK 210m of sales		

No. 1 in Electrical¹

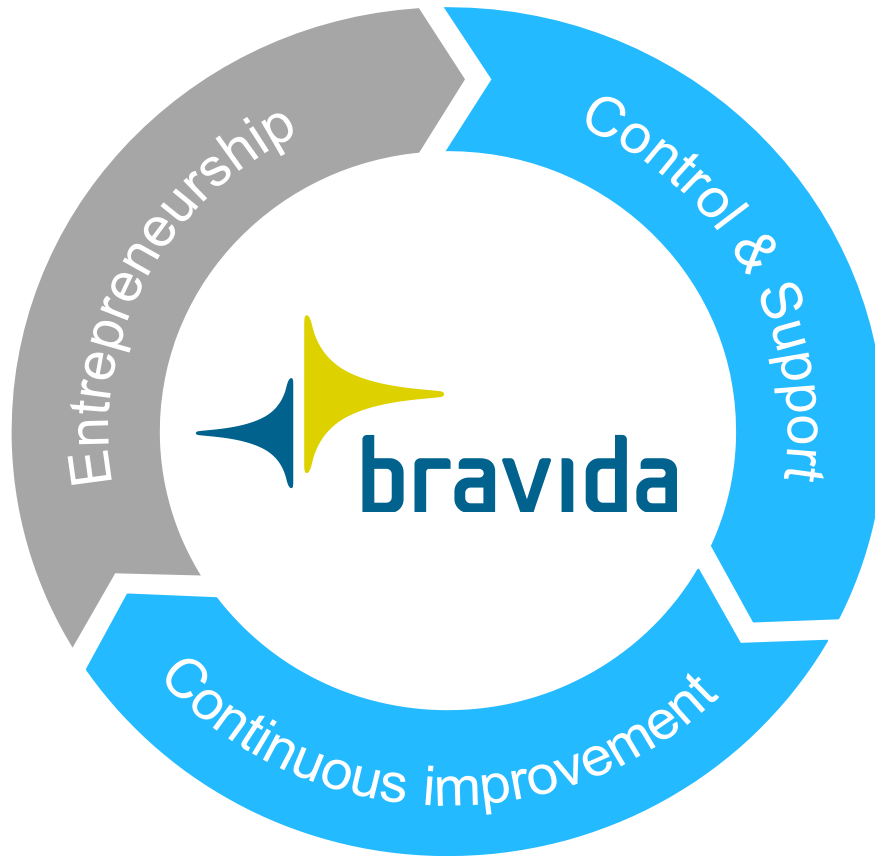
National scale network density and local leadership drive significant competitive advantages

Note: Figures represent 2014 sizes; figures under countries represent market size for building (including maintenance and renovation) installation and service market excluding infrastructure market; FX rate used NOK / SEK 1.08; DKK / SEK 1.27; EUR / SEK 9.09
 1. Management estimate
 Source: Company information



Bravida Way and operating model

A unique corporate culture



'Branch-first' entrepreneurial culture

- ✦ Branch manager pivotal role
- ✦ Incentivised to operate as owner – profitability and M&A
- ✦ Implements central initiatives

'Margin-first' control

- ✦ *"Margin over volume"*
- ✦ Standard operating model
- ✦ Central approval for M&A and large projects

Ongoing training and certification

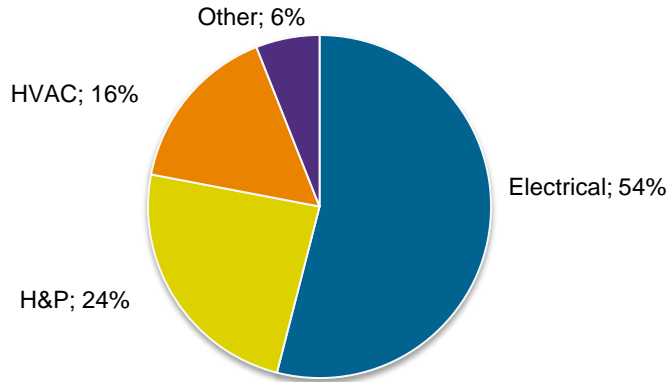
- ✦ Proprietary training and certification programme
- ✦ Best practice sharing
- ✦ Continuous focus on cost and cash

"We do what we have decided to do / We follow up on what we do / We continuously improve what we do"

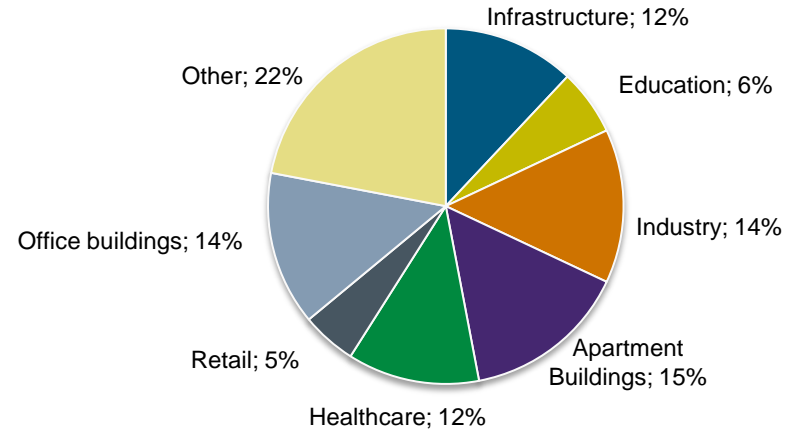
Bravida at a Glance

“Bringing buildings and infrastructure to life”

Revenue by technical vertical



Revenue by end-market



Complete housing solutions

Complete office solutions

Shopping centres

Hospitals

Safety and security solutions

Automation

Process cooling

Electrical substations

Rail electrification

Swimming pools

Ventilation systems

Borehole heat exchangers

Stadiums

Infrastructure

Lighting

Note: Split based on 2015 sales
Source: Company information

Bravida at a Glance (cont'd)

Service

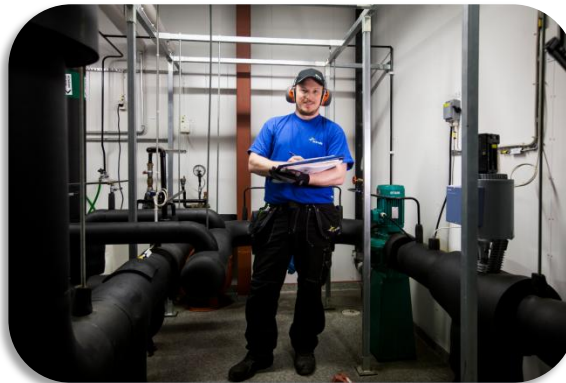
48% of sales



Monitoring / supervision on-site operations and improvements

Renovation & redevelopment

18% of sales



Renovation or larger maintenance projects

New build

34% of sales



New build or major redevelopment

Note: Split based on 2016 sales
Source: Company information